

FISCAL NOTE

HB 2136

January 14, 2004

SUMMARY OF BILL:

- Requires all newly constructed school buildings to contain *safe spaces* that are rooms or other areas that provide reinforced earthquake/tornado resistant space adequate in size to shelter all students and school personnel using such building. Such *safe spaces* must comply with federal emergency management agency (FEMA) guidelines. Under the bill, *new school building* is defined as any separate building that will contain student instructional or activity space, as well as any addition of ten (10) or more classrooms to any existing school building.
- Requires the State Fire Marshall to issue a certificate to the local education agency (LEA) to allow construction of the new building if the State Fire Marshall is satisfied that the building complies with FEMA regulations regarding "safe spaces". Prior to occupancy of any new building, the LEA is required to obtain a certificate of occupancy from the State Fire Marshall after an inspection and determination that the building has been constructed in accordance with the approved design and contains adequate safe space. Copies of both certificates issued by the State Fire Marshall shall be filed by the LEA with the Commissioner of Education.
- Authorizes the State Fire Marshall and the State Board of Education to promulgate rules necessary for the implementation of this requirement.
- Provides that the Commissioner of Education may withhold state capital funding to any LEA that does not comply with the provisions set out by this bill.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures* - Exceeds \$100,000 One-Time

Estimate assumes:

- The increase in costs will be dependent upon the number of new school constructions and the size of the safe space contained within each construction. The size of the safe space within the building will be dependent upon the number of students attending those new school buildings.
- It is not known whether the addition of 10 new portable classrooms would come under the purview of this bill and require the building of safe space in an existing school building for students being served in the 10 new classrooms or for the entire school.

- Based on information provided by FEMA, the construction of *safe space* could increase the cost of new construction by approximately 30%. Therefore, local government expenditures could increase due to this requirement, and is estimated to exceed \$100,000. This expenditure would be a one-time cost to be repaid over time with bond issues.
- The promulgation of new rules and regulations by the Department of Commerce & Insurance and the State Board of Education, and the requirement of additional reviews made by the Department of Commerce & Insurance (State Fire Marshall) are estimated to result in minimal fiscal impact on the Department and the State Board.
- To the extent any LEA is not in compliance with the provisions set out by this bill, and the Department of Education withholds state capital funding from the LEA, state expenditures are estimated to decrease and local government expenditures are estimated to increase by a corresponding amount. Such decrease in state expenditures and increase in local government expenditures cannot be determined, but could be expected to exceed \$100,000.

For information purposes, cost estimates for Wichita, Kansas school projects consisting of exterior load-bearing walls with brick veneer, interior nonload-bearing walls, and open web steel joist roof systems with metal decks are budgeted at \$95 to \$100 per square foot. The estimated construction costs to include a shelter area or *safe space* is estimated to be \$128 per square foot.

Note: A federal grant program, administered by FEMA, may be used to decrease the costs of building the *safe rooms*. Hazard Mitigation Grants are provided to states, communities, schools or other entities to mitigate the cost difference between costs prior to *safe rooms* and after. The grant would pay up to 75 % of the difference. However, it is estimated that even with the grant, local expenditures would be expected to exceed \$100,000 statewide.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director